



**IMMEDIATE RELEASE**

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### **BP Settles Prior Years Taxes for \$379 Million**

December 31, 2007, Anchorage, Alaska – Governor Sarah Palin today announced that the State of Alaska and BP Exploration (Alaska) Incorporated have resolved a tax dispute concerning outstanding corporate income tax liabilities.

The taxes related to disputed amounts for tax years 2000 through 2002. Alaska tax statutes require the specific terms and conditions of the dispute and agreement to be kept confidential.

"I am very pleased with this settlement and appreciate BP's willingness to work with the State of Alaska and come to a fair resolution," Governor Palin said.

BP agreed to make the payment of \$379 million on December 31, 2007. The funds will be deposited in the Constitutional Budget Reserve, which was created as the state's main savings account by a vote of the people in 1990.

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